

# FY 2015 Preliminary Year-End (recap) and FY 2016 Budget Amendments

*City Council Presentation  
October 13, 2015*



# Presentation Overview

- Today's presentation provides City Council with an overview of the upcoming FY 2016 Operating and Capital Budget Amendments
  - City Council discussion of distribution of anticipated \$8.5 million surplus from the retreat
- The presentation recaps the FY 2015 preliminary year-end provided during the City Council Retreat

# General Fund Preliminary FY 2015 Year-End (Budget Basis) - Recap

## Final Budget

**\$821.7 million**

**Actual  
Revenue**

**\$820 million**

**Actual  
Expenditure**

**\$802 million**

**Revenue**

**Expenditure**

*It is important to note the budget variance does not take into account designations*

Note: Amounts are preliminary, pending completion of annual independent financial audit.



# General Fund Preliminary FY 2015 Year-End (Budget Basis) - Recap

\$8.5 million surplus (city)  
\$1.0 million surplus (Norfolk Public Schools)

Preliminary General Fund Revenue:	0.2 percent less
Preliminary General Fund Expenditure:	2.4 percent less
Less Designations (including NPS)	1.3 percent
Remaining Budget Variance (preliminary):	1.0 percent

**Note:** Amounts are preliminary, pending completion of independent financial audit.



# Financial Policies (Council Adopted July 2013)

**If Surplus Exceeds 0.5% of General Fund Budget**

**Achieve Structural Balance**

**Capital Projects/  
Debt Reduction**

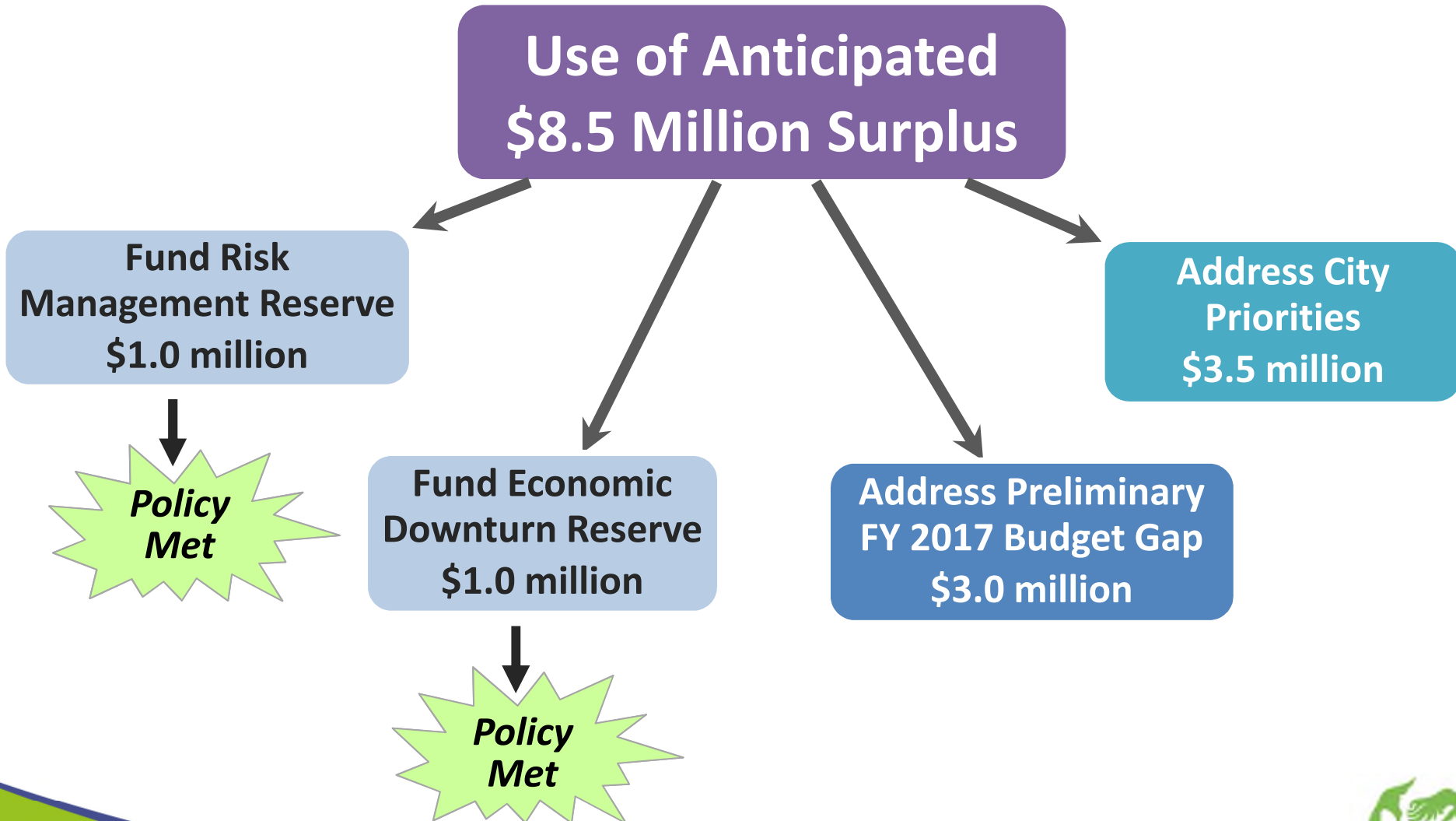
**Fully Fund Reserves**

*A  
Unassigned General Fund Reserve*

*B  
Risk Management Reserve*

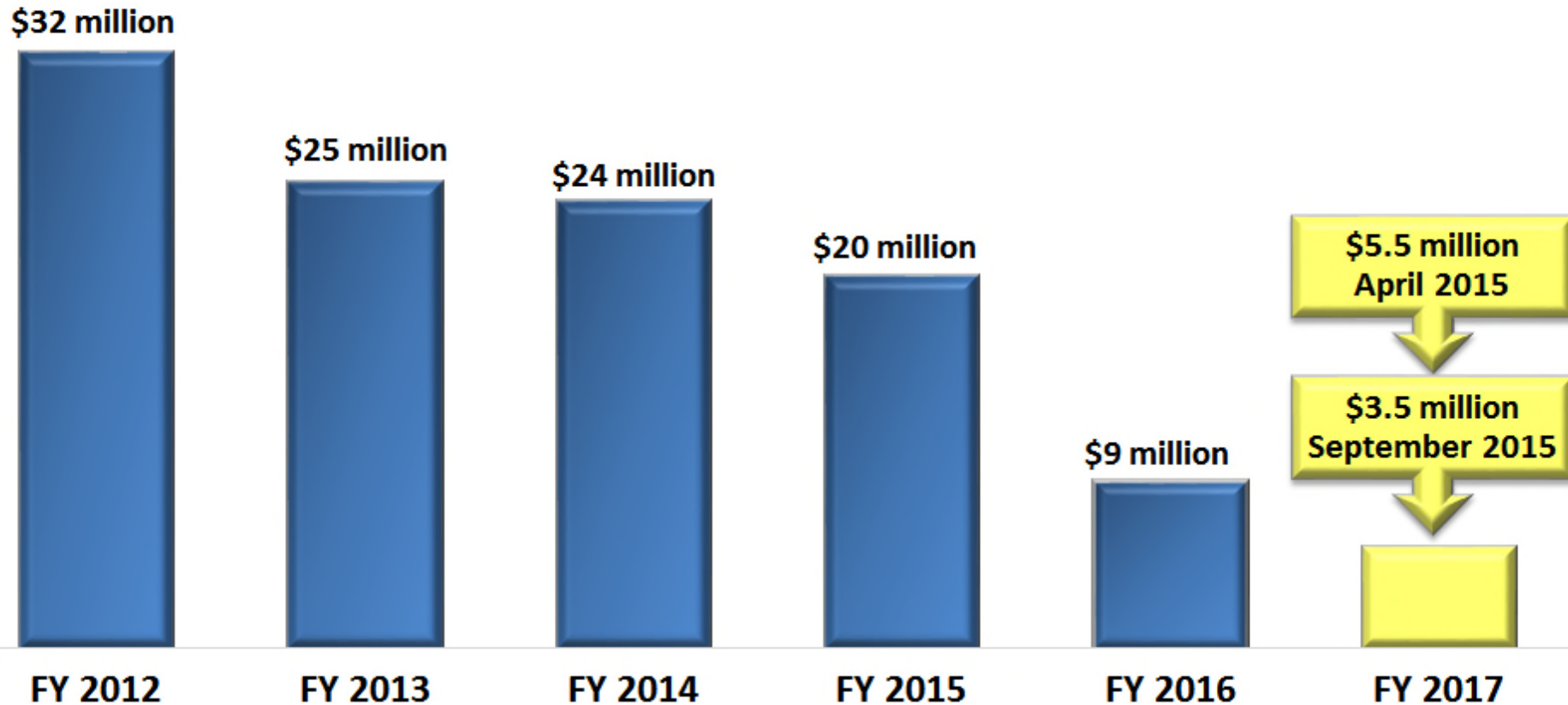
*C  
Economic Downturn Reserve*

# City Council Discussions Indicate



# Current and Historical Budget Outlook

## Preliminary Budget Gaps (excludes Norfolk Public Schools)



# Financial Policies with Additional Funds

**Surplus Exceeds 0.5% of General Fund Budget**

**Achieved Structural Balance**

**+ \$3.0 million**

**Capital Projects  
Debt Reduction**

**Fully Fund Reserves**

**+ \$1 million**

**+ \$1 million**

**Policy  
Met**

**A**  
*Unassigned General Fund Reserve*

**B**  
*Risk Management Reserve*

**C**  
*Economic Downturn Reserve*



# City Council Discussion of \$3.5 million

<b>Priorities</b>	
Poverty Commission	\$500,000
Housing Trust Fund	\$400,000
Body Cameras	\$250,000
Denby Park	\$300,000
Wilson Road/Indian River Road	\$300,000
Chesapeake Boulevard/Fishermans Road	\$200,000
Arts District	\$200,000
Ocean View Traffic Calming	\$200,000
Bay Oaks Park	\$100,000
Poplar Hall Drive	\$250,000
Five Points	\$300,000
Clean Team Equipment	\$150,000
School Maintenance	\$250,000
Chelsea	\$100,000
<b>GRAND TOTAL</b>	<b><u>\$3,500,000</u></b>

# Ordinance Distribution of \$8.5 million

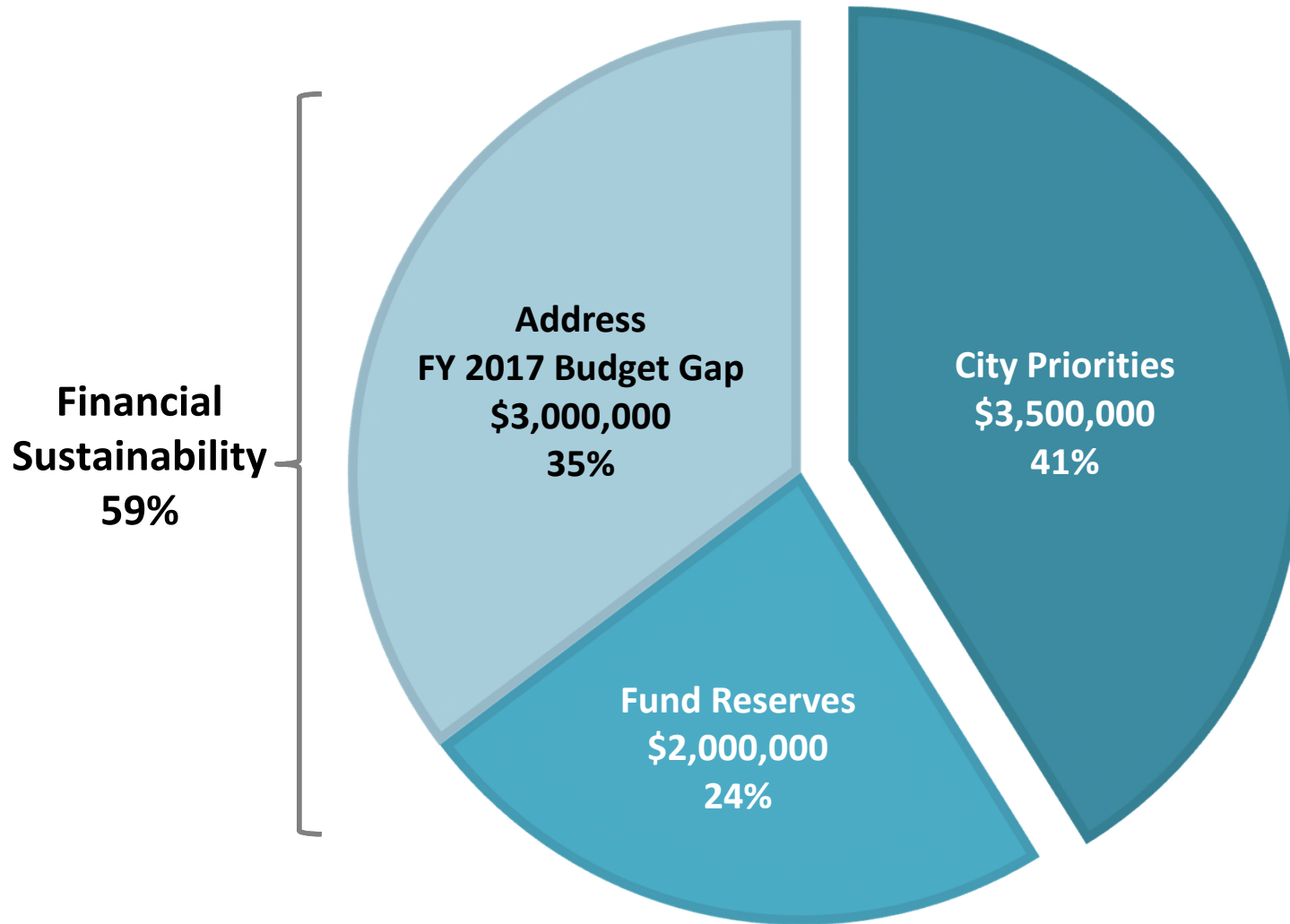
<b>Operating (General Fund) Budget</b>	
Implement Poverty Commission Recommendations	\$500,000
Implement Housing Trust Fund	\$400,000
Purchase Clean Team Equipment - Public Works	\$150,000
Purchase Additional Body Cameras - Police	\$250,000
Reduce FY 2017 Projected Budget Gap - Debt Service	\$3,000,000
Transfer to Capital Improvement Program (see breakdown below)	\$2,200,000
<b>SUBTOTAL - Operating Budget</b>	<b>\$6,500,000</b>

<b>General Fund Reserves</b>	
Increase Risk Management Reserve	\$1,000,000
Increase Economic Downturn and Leveling Reserve	\$1,000,000
<b>SUBTOTAL – Reserves</b>	<b>\$2,000,000</b>

**GRAND TOTAL    \$8,500,000**

<b>Capital Improvement Program (CIP) Budget Breakdown (from \$2.2 million above)</b>	
Address School Major Maintenance	\$250,000
Implement Recreation, Parks and Open Space Master Plan (Bay Oaks Park)	\$100,000
Improve Denby Park Neighborhood	\$300,000
Chesapeake Boulevard Pedestrian Crossing	\$200,000
Improve Chelsea Neighborhood Infrastructure	\$100,000
Improve Arts District Infrastructure	\$200,000
Implement Five Points Better Block Plan	\$300,000
Implement Ocean View Traffic Calming	\$200,000
Implement Southside Neighborhood Plan (Wilson Road/Indian River Road)	\$300,000
Implement Poplar Hall Drive Pedestrian Improvement	\$250,000

# City Council Distribution of \$8.5 million



# Next Steps

Adoption of two ordinances to amend the Operating and Capital budgets scheduled for today at City Council's formal session following the Public Hearing